



Buy (old: Buy)

Price target: EUR 39.00 (old: EUR 39.00)

Price: EUR 25.30 **Next result:** FY 2017 30.04.17
Bloomberg: NTG@GR **Market cap:** EUR 222.6 m
Reuters: NTGG.DE **Enterprise Value:** EUR 284.0 m

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Roadshow mit CEO bestätigt unseren Investment Case

Wir waren mit dem CEO von Nabaltec auf einer Roadshow in London und Paris, die uns bestätigte, dass die **wesentlichen mittelfristigen Wachstumstreiber stark bleiben** UND die **Aussichten für Nischenanwendungen sehr vielversprechend** aussehen:

- Weltweit zunehmend strengeres regulatorisches Umfeld (z.B. CPR in der EU) verbunden mit knappen Industriekapazitäten.
- Hochfahren der Produktion bei Nashtec & Bau eines 2. US-Werks in Chattanooga, TN
- Margenstarker Umsatzbeitrag durch Böhmit in Lithium Ionen Batterien in Elektrofahrzeugen sowie ein Flammhemmer speziell für Gummianwendungen

Unterstrichen werden die Wachstumsperspektiven von Nabaltec durch den aktuellen Investitionsplan mit US-Fokus: (1) Mit Umbau und Erweiterung bei Nashtec sollen planmäßig bis Ende '18 6.000-7.000t feinstgefälltes ATH (H&Ae Umsatz € 6 Mio.) und nach vollem Ramp-up in '20 30.000t produziert werden (H&Ae Umsatz € 27 Mio.). (2) 2. US-Werk an einem strategisch gut positionierten ehemaligen DuPont-Standort in Chattanooga, TN, sollte **bis Ende '21 30.000t grobes ATH produzieren (H&Ae Umsatz € 18 Mio.)**. Dieses Werk wird zudem 5.000t Spezial-ATH für Gummianwendungen produzieren. Bisher wird dieser Markt vom Unternehmen J.M. Huber dominiert, welches mit dem Produkt bei einem Preis von 1.500\$/t eine EBIT-Marge von 50% erzielen sollte. Bei einer **90%-Auslastung der US-Kapazitäten** u.E. bis Ende '21 sollte ein zusätzlicher **Umsatz von € 50 Mio. bei einer EBIT-Marge von 12%-15% erreicht werden**.

Neben dem Kerngeschäft von Nabaltec, stellt u.E. auch Böhmit, das als Beschichtungslösung für Trennfolien in Lithium-Ionen-Batterien für Elektrofahrzeuge verwendet wird, ein **signifikantes Ergebnispotenzial** dar. 2017 konnte Nabaltec ein starkes Volumenwachstum bei € 3.400/t und eine EBIT-Marge von 30% aufweisen. Mit der aktuellen Kapazität von 5.000t sollte eine Elektrofahrzeugproduktion von bis zu **7,5 Mio. Einheiten pro Jahr** bewältigt werden können, was einen **Umsatz von € 17 Mio. und ein EBIT von ca. € 5 Mio. impliziert** (nach Kostenverteilung und einem 50%-Marktanteil).

Unseres Erachtens spiegelt sich dies **nicht vollständig im vorsichtigen Ausblick von Nabaltec für '22E wider**, der einen Umsatz von € 230 Mio. und eine EBIT-Marge von mindestens 10% vorsieht. Dieser Wert stützt sich auf eine Auslastungsquote von lediglich 80% beim Kerngeschäft von Nabaltec ohne Berücksichtigung von Preiserhöhungen. Wir halten angesichts einer oligopolistischen Marktstruktur und einer stetig wachsenden Nachfrage nach umweltfreundlichen Flammhemmern eine **Auslastungsquote von 90%** für realistischer, sodass **Nabaltec einen Umsatz von € 260 Mio. erzielen dürfte**. Eine vorteilhafte Produktverlagerung verbunden mit Skaleneffekten sollte auch eine **EBIT-Marge von über 13%** ermöglichen.

Vor diesem Hintergrund **bekräftigen wir unsere Kaufempfehlung mit einem unveränderten Kursziel von € 39** auf Basis des FCFY '20E. *Anmerkung: Analystenwechsel - Fortsetzung -*

Y/E 31.12 (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
Sales	143.3	151.3	159.2	168.6	181.2	193.9	219.1
Sales growth	8 %	6 %	5 %	6 %	8 %	7 %	13 %
EBITDA	22.4	24.6	22.9	30.0	32.9	36.8	44.5
EBIT	12.7	14.5	12.2	18.3	19.9	22.8	29.0
Net income	5.5	6.7	5.3	11.3	12.5	14.8	19.2
Net debt	44.2	41.3	36.4	23.3	27.9	19.3	12.0
Net gearing	83.9 %	71.7 %	63.6 %	25.1 %	27.4 %	17.2 %	10.4 %
Net Debt/EBITDA	2.0	1.7	1.6	0.8	0.8	0.5	0.3
EPS pro forma	0.69	0.84	1.07	1.28	1.41	1.68	2.18
CPS	1.25	1.15	1.88	1.57	1.55	1.92	2.16
DPS	0.12	0.15	0.15	0.28	0.35	0.42	0.54
Dividend yield	0.5 %	0.6 %	0.6 %	1.1 %	1.4 %	1.7 %	2.2 %
Gross profit margin	47.4 %	48.2 %	49.3 %	51.4 %	52.0 %	52.2 %	52.5 %
EBITDA margin	15.6 %	16.3 %	14.4 %	17.8 %	18.1 %	19.0 %	20.3 %
EBIT margin	8.8 %	9.6 %	7.7 %	10.8 %	11.0 %	11.8 %	13.2 %
ROCE	8.4 %	8.9 %	7.1 %	9.7 %	10.3 %	10.6 %	14.2 %
EV/sales	1.9	1.8	1.7	1.7	1.6	1.4	1.2
EV/EBITDA	12.2	11.0	12.1	9.5	8.8	7.6	6.1
EV/EBIT	21.5	18.8	22.6	15.5	14.5	12.3	9.4
PER	36.8	30.1	23.7	19.7	17.9	15.1	11.6
Adjusted FCF yield	4.4 %	4.6 %	4.0 %	6.2 %	7.0 %	8.3 %	10.8 %

Source: Company data, Hauck & Aufhäuser Close price as of: 03.04.2018



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 30.10 / 14.50
Price/Book Ratio: 2.4
Relative performance (SDAX):
3 months -2.4 %
6 months -9.2 %
12 months 46.3 %

Changes in estimates

		Sales	EBIT	EPS
2017	old:	168.6	18.3	1.28
	Δ	-	-	-
2018	old:	181.2	19.9	1.41
	Δ	-	-	-
2019	old:	193.9	22.8	1.68
	Δ	-	-	-

Key share data:

Number of shares: (in m pcs) 8.2
Authorised capital: (in € m) 4.0
Book value per share: (in €) 10.5
Ø trading volume: (12 months) 20,000

Major shareholders:

Free Float 44.0 %
Family Heckmann 28.3 %
Family Witzany 27.2 %

Company description:

Nabaltec is focused on the production of functional fillers for plastics such as non-hazardous and non-toxic flame retardants used in electrical and electronic equipment.

Andere Finanzmarktteilnehmer **dürften u.E. hinsichtlich der zusätzlichen Kapazitätspläne von Huber/Martinswerke völlig falsch liegen**. Hauptfehler ist dabei, dass die angekündigten Expansionen auf Basis des gesamten ATH-Marktvolumens berechnet wurden, während J.M. Huber ausdrücklich meldete, dass die **Expansionspläne nur ihr feinstgefälltes ATH umfassen**, was auf weitere Kapazitäten von ca. 25.000t in ihrem Hauptwerk in Deutschland bis 2019/20 und ca. 10.000t in den USA hindeutet, die im Verlauf des Jahres 2018 verfügbar werden sollten. **Wir erwarten daher kein Überangebot auf dem Markt für feinstgefälltes ATH**. Nachfolgend präsentieren wir ein realistisches Szenario des Nachfragewachstums und der Kapazitätsausweitung, das auf anhaltend knappe Kapazitäten schließen lässt.

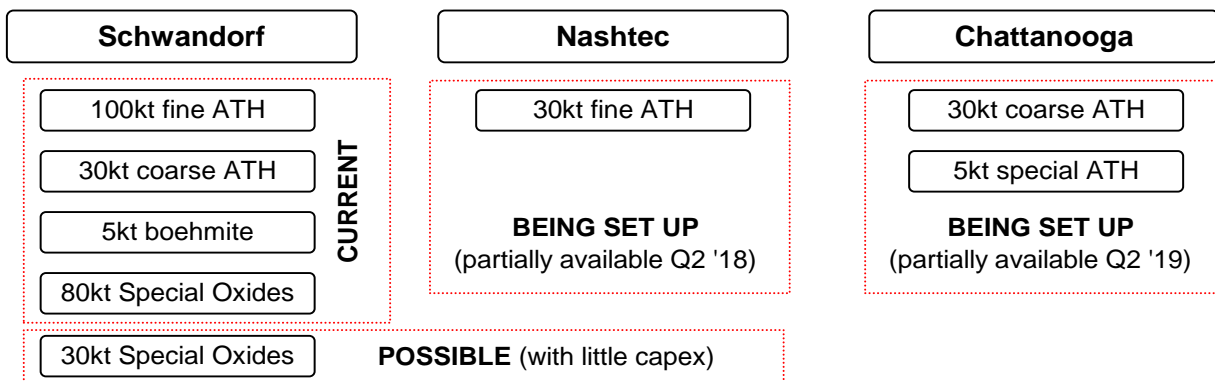
(tables in english only)

Market growth vs additional capacities

	2017	Growth p.a.	2018E	2019E	2020E	2021E	2022E
Fine (400kt)		4%	16	17	17	18	19
		5%	20	21	22	23	24
		6%	24	25	27	29	30
Additional available capacities		Nabaltec (US)	7	17	0	0	0
		Huber (GER)	0	16	9	0	0
		Huber (US)	10	0	0	0	0
Coarse (500kt)		4%	20	21	22	22	23
		5%	25	26	28	29	30
		6%	30	32	34	36	38
Additional available capacities*		Nabaltec (US)	0	7	14	9	0
		Huber (GER)	0	0	0	0	0
		Huber (US)	0	0	0	0	0

Source: Hauck & Aufhäuser estimates; *Other competitors besides Huber are likely to invest in additional capacities

Overview capacities of Nabaltec (current/being set up/possible)



Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
Net sales	143.3	151.3	159.2	168.6	181.2	193.9	219.1
<i>Sales growth</i>	7.8 %	5.6 %	5.2 %	5.9 %	7.5 %	7.0 %	13.0 %
Increase/decrease in finished goods and work-in-process	-0.3	1.9	0.4	-1.0	0.0	0.0	0.0
Total sales	143.0	153.2	159.6	167.6	181.2	193.9	219.1
Other operating income	2.6	2.8	2.2	3.7	2.7	2.1	2.2
Material expenses	75.1	80.3	80.9	81.4	87.0	92.7	104.1
Personnel expenses	25.4	26.8	31.7	31.2	32.8	34.7	36.8
Other operating expenses	22.7	24.3	26.2	28.7	31.4	31.8	35.9
Total operating expenses	120.6	128.6	136.7	137.6	148.4	157.1	174.7
EBITDA	22.4	24.6	22.9	30.0	32.9	36.8	44.5
Depreciation	9.7	10.2	10.7	11.7	13.0	14.0	15.5
EBITA	12.7	14.5	12.2	18.3	19.9	22.8	29.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	12.7	14.5	12.2	18.3	19.9	22.8	29.0
Interest income	0.2	0.3	0.3	0.0	0.0	0.1	0.0
Interest expenses	4.3	3.9	3.3	2.6	2.6	2.4	2.4
Other financial result	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-4.2	-3.7	-3.1	-2.6	-2.6	-2.3	-2.4
Recurring pretax income from continuing operations	8.5	10.8	9.2	15.7	17.3	20.5	26.6
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	8.5	10.8	9.2	15.7	17.3	20.5	26.6
Taxes	2.5	3.4	3.9	4.4	4.8	5.7	7.5
Net income from continuing operations	6.1	7.4	5.3	11.3	12.5	14.8	19.2
Result from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income	6.1	7.4	5.3	11.3	12.5	14.8	19.2
Minority interest	0.6	0.7	-0.1	0.0	0.0	0.0	0.0
Net income (net of minority interest)	5.5	6.7	5.3	11.3	12.5	14.8	19.2
Average number of shares	8.0	8.0	8.0	8.2	8.8	8.8	8.8
EPS reported	0.69	0.84	0.67	1.38	1.41	1.68	2.18

Profit and loss (common size)	2014	2015	2016	2017E	2018E	2019E	2020E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	-0.2 %	1.3 %	0.2 %	-0.6 %	0.0 %	0.0 %	0.0 %
Total sales	99.8 %	101.3 %	100.2 %	99.4 %	100.0 %	100.0 %	100.0 %
Other operating income	1.8 %	1.9 %	1.4 %	2.2 %	1.5 %	1.1 %	1.0 %
Material expenses	52.4 %	53.1 %	50.8 %	48.3 %	48.0 %	47.8 %	47.5 %
Personnel expenses	17.7 %	17.7 %	19.9 %	18.5 %	18.1 %	17.9 %	16.8 %
Other operating expenses	15.8 %	16.1 %	16.5 %	17.0 %	17.3 %	16.4 %	16.4 %
Total operating expenses	84.2 %	85.0 %	85.8 %	81.6 %	81.9 %	81.0 %	79.7 %
EBITDA	15.6 %	16.3 %	14.4 %	17.8 %	18.1 %	19.0 %	20.3 %
Depreciation	6.8 %	6.7 %	6.7 %	6.9 %	7.2 %	7.2 %	7.1 %
EBITA	8.8 %	9.6 %	7.7 %	10.8 %	11.0 %	11.8 %	13.2 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT	8.8 %	9.6 %	7.7 %	10.8 %	11.0 %	11.8 %	13.2 %
Interest income	0.1 %	0.2 %	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	3.0 %	2.6 %	2.1 %	1.5 %	1.4 %	1.2 %	1.1 %
Other financial result	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	-2.9 %	-2.4 %	-1.9 %	-1.5 %	-1.4 %	-1.2 %	-1.1 %
Recurring pretax income from continuing operations	5.9 %	7.1 %	5.8 %	9.3 %	9.5 %	10.6 %	12.1 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	5.9 %	7.1 %	5.8 %	9.3 %	9.5 %	10.6 %	12.1 %
Tax rate	28.8 %	31.5 %	42.3 %	28.0 %	28.0 %	28.0 %	28.0 %
Net income from continuing operations	4.2 %	4.9 %	3.3 %	6.7 %	6.9 %	7.6 %	8.7 %
Income from discontinued operations (net of tax)	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	4.2 %	4.9 %	3.3 %	6.7 %	6.9 %	7.6 %	8.7 %
Minority interest	0.4 %	0.5 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income (net of minority interest)	3.8 %	4.4 %	3.4 %	6.7 %	6.9 %	7.6 %	8.7 %

Source: Company data, Hauck & Aufhäuser

Balance sheet (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
Intangible assets	0.4	0.5	0.5	0.5	0.5	0.5	0.5
Property, plant and equipment	112.0	116.6	125.3	138.6	150.6	150.6	143.1
Financial assets	0.0	0.0	0.1	0.1	0.1	0.1	0.1
FIXED ASSETS	112.4	117.1	125.9	139.2	151.2	151.2	143.7
Inventories	27.5	30.8	30.9	32.7	35.2	37.6	42.5
Accounts receivable	4.6	5.2	3.1	3.3	3.5	3.8	4.3
Other current assets	7.0	6.5	5.5	5.5	5.5	5.5	5.5
Liquid assets	27.2	42.3	36.2	49.3	43.4	52.1	27.0
Deferred taxes	0.1	0.0	1.1	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	66.4	84.8	76.8	90.8	87.6	99.0	79.2
TOTAL ASSETS	178.8	201.9	202.7	229.9	238.8	250.2	222.9
SHAREHOLDERS EQUITY	52.6	57.5	57.2	92.8	101.7	111.9	115.7
MINORITY INTEREST	-0.2	0.6	0.6	0.0	0.0	0.0	0.0
Long-term debt	61.4	71.3	71.3	71.3	71.3	71.3	39.0
Provisions for pensions and similar obligations	25.3	28.0	38.1	38.1	38.1	38.1	38.1
Other provisions	2.4	2.6	2.4	2.1	2.1	2.1	1.1
Non-current liabilities	89.0	101.9	111.8	111.5	111.5	111.5	78.2
short-term liabilities to banks	10.0	12.2	1.2	1.2	0.0	0.0	0.0
Accounts payable	9.9	12.3	14.5	15.4	16.5	17.7	20.0
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	15.9	15.9	16.4	8.0	8.0	8.0	8.0
Deferred taxes	1.5	1.5	1.0	1.0	1.0	1.0	1.0
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	37.4	41.9	33.2	25.6	25.5	26.7	29.0
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	178.8	201.9	202.7	229.9	238.8	250.2	222.9

Balance sheet (common size)	2014	2015	2016	2017E	2018E	2019E	2020E
Intangible assets	0.2 %	0.3 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
Property, plant and equipment	62.6 %	57.7 %	61.8 %	60.3 %	63.1 %	60.2 %	64.2 %
Financial assets	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
FIXED ASSETS	62.8 %	58.0 %	62.1 %	60.5 %	63.3 %	60.4 %	64.5 %
Inventories	15.4 %	15.2 %	15.2 %	14.2 %	14.7 %	15.0 %	19.1 %
Accounts receivable	2.5 %	2.6 %	1.5 %	1.4 %	1.5 %	1.5 %	1.9 %
Other current assets	3.9 %	3.2 %	2.7 %	2.4 %	2.3 %	2.2 %	2.5 %
Liquid assets	15.2 %	20.9 %	17.9 %	21.4 %	18.2 %	20.8 %	12.1 %
Deferred taxes	0.1 %	0.0 %	0.6 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	37.1 %	42.0 %	37.9 %	39.5 %	36.7 %	39.6 %	35.5 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	29.4 %	28.5 %	28.2 %	40.4 %	42.6 %	44.7 %	51.9 %
MINORITY INTEREST	-0.1 %	0.3 %	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %
Long-term debt	34.3 %	35.3 %	35.2 %	31.0 %	29.9 %	28.5 %	17.5 %
Provisions for pensions and similar obligations	14.1 %	13.8 %	18.8 %	16.6 %	15.9 %	15.2 %	17.1 %
Other provisions	1.3 %	1.3 %	1.2 %	0.9 %	0.9 %	0.8 %	0.5 %
Non-current liabilities	49.8 %	50.5 %	55.1 %	48.5 %	46.7 %	44.6 %	35.1 %
short-term liabilities to banks	5.6 %	6.1 %	0.6 %	0.5 %	0.0 %	0.0 %	0.0 %
Accounts payable	5.5 %	6.1 %	7.2 %	6.7 %	6.9 %	7.1 %	9.0 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	8.9 %	7.9 %	8.1 %	3.5 %	3.3 %	3.2 %	3.6 %
Deferred taxes	0.8 %	0.7 %	0.5 %	0.4 %	0.4 %	0.4 %	0.5 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	20.9 %	20.8 %	16.4 %	11.1 %	10.7 %	10.7 %	13.0 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
Net profit/loss	6.1	7.4	5.3	11.3	12.5	14.8	19.2
Depreciation of fixed assets (incl. leases)	9.7	10.2	10.7	11.7	13.0	14.0	15.5
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	2.1	2.7	2.8	0.0	0.0	0.0	0.0
Cash flow from operations before changes in w/c	17.9	20.2	18.8	23.0	25.5	28.8	34.7
Increase/decrease in inventory	-1.3	-3.2	-0.1	-1.8	-2.5	-2.5	-4.9
Increase/decrease in accounts receivable	-0.3	-0.6	2.1	-0.2	-0.2	-0.2	-0.5
Increase/decrease in accounts payable	1.2	2.4	2.2	0.9	-1.2	-1.2	-2.3
Increase/decrease in other working capital positions	0.0	-1.5	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-0.4	-3.0	4.3	-1.1	-3.9	-3.9	-7.7
Cash flow from operating activities	17.5	17.2	23.0	21.8	21.6	24.9	27.0
CAPEX	10.0	13.1	17.0	25.0	25.0	14.0	8.0
Payments for acquisitions	0.0	0.0	0.0	0.6	0.0	0.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-10.0	-13.1	-17.0	-25.6	-25.0	-14.0	-8.0
Cash flow before financing	7.5	4.2	6.0	-3.7	-3.4	10.9	19.0
Increase/decrease in debt position	-10.0	12.2	-11.8	0.0	-1.2	0.0	-32.3
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	18.0	0.0	0.0	0.0
Dividends paid	0.5	1.0	1.2	1.2	1.2	2.3	3.1
Others	0.0	-0.6	0.6	0.0	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.4	0.2	0.0	0.0	0.0	0.0
Cash flow from financing activities	-10.4	10.6	-12.4	16.8	-2.4	-2.3	-35.5
Increase/decrease in liquid assets	-2.9	15.1	-6.1	13.1	-5.8	8.6	-16.5
Liquid assets at end of period	27.2	42.3	36.2	49.3	43.4	52.1	27.0

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
Domestic	40.7	41.9	42.4	44.5	46.0	47.5	49.0
yoy change	-0.4 %	2.8 %	1.2 %	5.0 %	3.4 %	3.3 %	3.2 %
Rest of Europe	68.5	73.2	78.3	80.0	87.2	90.7	95.2
yoy change	7.8 %	6.8 %	7.0 %	2.2 %	9.0 %	4.0 %	5.0 %
NAFTA	18.0	19.7	20.2	24.5	27.0	32.3	45.3
yoy change	24.8 %	9.4 %	2.6 %	21.1 %	10.0 %	20.0 %	40.0 %
Asia Pacific	0.0	0.0	0.0	0.0	0.0	0.0	0.0
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	16.0	16.5	18.3	19.6	21.1	23.4	29.6
yoy change	14.7 %	2.9 %	10.8 %	7.2 %	7.6 %	10.9 %	26.7 %
TTL	143.3	151.3	159.2	168.6	181.2	193.9	219.1
yoy change	7.8 %	5.6 %	5.2 %	5.9 %	7.5 %	7.0 %	13.0 %

Source: Company data, Hauck & Aufhäuser

Key ratios (EUR m)	2014	2015	2016	2017E	2018E	2019E	2020E
P&L growth analysis							
Sales growth	7.8 %	5.6 %	5.2 %	5.9 %	7.5 %	7.0 %	13.0 %
EBITDA growth	13.2 %	10.2 %	-7.0 %	30.8 %	43.4 %	22.9 %	35.4 %
EBIT growth	20.3 %	14.2 %	-15.5 %	49.3 %	62.2 %	25.0 %	46.1 %
EPS growth	107.6 %	22.3 %	-20.4 %	105.7 %	111.6 %	21.9 %	53.9 %
Efficiency							
Total operating costs / sales	84.2 %	85.0 %	85.8 %	81.6 %	81.9 %	81.0 %	79.7 %
Sales per employee	341.3	348.6	353.8	366.5	385.6	395.8	429.7
EBITDA per employee	53.3	56.8	50.9	65.1	69.9	75.2	87.2
Balance sheet analysis							
Avg. working capital / sales	15.3 %	15.2 %	13.6 %	11.9 %	11.5 %	11.4 %	11.2 %
Inventory turnover (sales/inventory)	5.2	4.9	5.2	5.2	5.2	5.2	5.2
Trade debtors in days of sales	11.6	12.5	7.1	7.1	7.1	7.1	7.1
A/P turnover [(A/P*365)/sales]	25.3	29.6	33.3	33.3	33.3	33.3	33.3
Cash conversion cycle (days)	97.2	96.7	80.8	84.7	85.2	85.5	86.0
Cash flow analysis							
Free cash flow	7.5	4.2	6.0	-3.2	-3.4	10.9	19.0
Free cash flow/sales	5.2 %	2.7 %	3.8 %	-1.9 %	-1.9 %	5.6 %	8.7 %
FCF / net profit	136.5 %	62.3 %	112.5 %	-28.1 %	-27.3 %	73.8 %	99.1 %
Capex / depre	103.1 %	128.4 %	159.2 %	213.7 %	192.3 %	100.0 %	51.6 %
Capex / maintenance capex	133.3 %	163.3 %	212.6 %	275.0 %	312.5 %	175.0 %	100.0 %
Capex / sales	7.0 %	8.6 %	10.7 %	14.8 %	13.8 %	7.2 %	3.7 %
Security							
Net debt	44.2	41.3	36.4	23.3	27.9	19.3	12.0
Net Debt/EBITDA	2.0	1.7	1.6	0.8	0.8	0.5	0.3
Net debt / equity	0.8	0.7	0.6	0.3	0.3	0.2	0.1
Interest cover	2.9	3.7	3.7	7.0	7.6	9.5	12.1
Dividend payout ratio	17.5 %	18.0 %	22.4 %	20.0 %	25.0 %	25.0 %	25.0 %
Asset utilisation							
Capital employed turnover	0.9	0.9	0.9	0.8	0.8	0.9	1.1
Operating assets turnover	1.1	1.1	1.1	1.1	1.0	1.1	1.3
Plant turnover	1.3	1.3	1.3	1.2	1.2	1.3	1.5
Inventory turnover (sales/inventory)	5.2	4.9	5.2	5.2	5.2	5.2	5.2
Returns							
ROCE	8.4 %	8.9 %	7.1 %	9.7 %	10.3 %	10.6 %	14.2 %
ROE	10.4 %	11.6 %	9.4 %	12.2 %	12.2 %	13.2 %	16.6 %
Other							
Interest paid / avg. debt	5.7 %	5.1 %	4.3 %	3.6 %	3.6 %	3.3 %	4.3 %
No. employees (average)	420	434	450	460	470	490	510
Number of shares	8.0	8.0	8.0	8.2	8.8	8.8	8.8
DPS	0.1	0.2	0.2	0.3	0.4	0.4	0.5
EPS reported	0.69	0.84	0.67	1.38	1.41	1.68	2.18
Valuation ratios							
P/BV	3.8	3.5	3.5	2.4	2.2	2.0	1.9
EV/sales	1.9	1.8	1.7	1.7	1.6	1.4	1.2
EV/EBITDA	12.2	11.0	12.1	9.5	8.8	7.6	6.1
EV/EBITA	21.5	18.8	22.6	15.5	14.5	12.3	9.4
EV/EBIT	21.5	18.8	22.6	15.5	14.5	12.3	9.4
EV/FCF	36.3	65.4	46.0	-89.7	-84.9	25.7	14.4
Adjusted FCF yield	4.4 %	4.6 %	4.0 %	6.2 %	7.0 %	8.3 %	10.8 %
Dividend yield	0.5 %	0.6 %	0.6 %	1.1 %	1.4 %	1.7 %	2.2 %

Source: Company data, Hauck & Aufhäuser

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Company	Disclosure
Nabaltec AG	2, 3

Historical target price and rating changes for Nabaltec AG in the last 12 months

**Price and Rating History
Nabaltec AG as of 04/04/18**

Initiation coverage
14-April-11



Company	Date	Analyst	Rating	Target price	Close
Nabaltec	03.04.2018	Sandherr, Christian	Buy	EUR 39.00	EUR 25.30
	01.03.2018	Berresch, CFA, Sascha	Buy	EUR 39.00	EUR 28.30
	16.01.2018	Berresch, CFA, Sascha	Buy	EUR 36.00	EUR 29.30
	01.12.2017	Berresch, CFA, Sascha	Buy	EUR 36.00	EUR 26.60
	11.10.2017	Berresch, CFA, Sascha	Buy	EUR 35.00	EUR 27.43
	30.08.2017	Berresch, CFA, Sascha	Buy	EUR 30.00	EUR 22.36

04.07.2017	Berresch, CFA, Sascha	Buy	EUR 30.00	EUR 21.40
31.05.2017	Berresch, CFA, Sascha	Buy	EUR 23.50	EUR 18.30
04.05.2017	Berresch, CFA, Sascha	Buy	EUR 23.50	EUR 15.08

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